AMENDMENTS TO THE SPECIFICATION

Please replace the paragraph beginning at page 1, line 12, with the following rewritten paragraph:

In the conventional videophone system, the video telephone sets communicating with each other shoot images by respective image recognizing units such as cameras and communicate the obtained images ~~with~~ to each other such that the images are displayed on the respective video telephone sets.

Please replace the paragraph beginning at page 13, line 9, with the following rewritten paragraph:

The still image display controller P2 reads a ~~sil~~ still picture from the memory 17 to display the picture on the display 12. The still picture includes a picture obtained by the camera 15, an image, not shown, obtained by the communicator 16 via the Internet 3 from the server 4 and stored in the memory 17 in advance, a still picture associated with the character data 173, and an image stored as a default item.

Please replace the paragraph beginning at page 15, line 20, with the following rewritten paragraph:

Description will be given, from a standpoint of the telephone 1a of the user A, of a procedure of processing to make a videophone call by displaying the characters as substitute images.

Please replace the paragraph beginning at page 22, line 9, with the following rewritten paragraph:

In a state in which the portable telephone 5 is beforehand set to the answering reply mode, when a call is received from a communicating terminal as a video telephone set (step S41), the control unit 14 sets the system to a state to reply as an answering telephone (step S42). If the call is received from a communicating party with notification of an issuing party number

(step S43), the controller 14 makes a search through the telephone directory table 571 using a telephone number notified as above (step S44). If the call is received from a communicating party with a telephone number for which an answering substitute image is set for the reply method of an answering telephone (step S45), the controller 14 sends an answering reply image and voice and sound of answering data 574 from the memory 17 to the communicating terminal. The terminal then displays the image and produces voice and sound according to the data (step S46).